

# **COLLABORATIVE INITIATIVE TO HELP END CHRONIC HOMELESSNESS**

## **Frequently Asked Questions**

### **HUD SECTION QUESTIONS:**

**1. Will the entire \$20 million in HUD funds for permanent housing be awarded at the time of the award and will it be expendable over 3 or 5 years, depending upon the SHP or S+C option proposed?**

Yes. The HUD funding works just like our regular process of grant awards. The funds will be allocated at the beginning of the grant term for the duration of the term (either 3 years for SHP or 5 years for S+C).

**2. Is the HUD funding \$20 million per year, or \$20 million over three years?**

The HUD funding totals \$20 million for this initiative, not per year. It is important to remember that any one project or applicant can only get \$2 million total over the life of the grant (3 or 5 years).

**3. Does uncertainty about funding availability in FY 2004 or 2005 affect the grants HUD anticipates making under this NOFA?**

The HUD funds to be used for this initiative have already been appropriated. As such, the HUD awards are not subject to future appropriations.

**4. Regarding the HUD \$2 million cap, can we put in more than one application, each of which requests \$2 million or do all the applications from a single locality need to add up \$2 million?**

Yes. The NOFA only specifies that no more than \$2 million in HUD funds will be AWARDED to any one project or applicant. Any applicant can REQUEST more than one project and the total of all requests can exceed \$2 million in HUD funds but only the highest ranking project(s) totaling \$2 million will be awarded to any one applicant.

**5. Since HUD funds cannot be used for new construction, can we use them for land acquisition and use local matching funds for new construction?**

No. Since the joint NOFA on chronic homelessness is designed to assist chronically homeless persons on the streets or in emergency shelters, the focus of the initiative is to get clients into permanent housing as soon as possible. The reason for not including new construction as an eligible SHP activity was based on the time it takes to develop these types of projects. See the HUD Section on Purpose and Eligible Activities in the NOFA.

**6. Can SHP acquisition funds be used as gap financing for an existing 811 funded project?**

No. This Initiative's funds are only for additional housing units, not for housing funded elsewhere that now find they have a financing gap.

**7. Will applicants be allowed to apply for renewal funding, especially for permanent housing?**

Yes, renewals will be possible for both funded SHP and S+C projects through the normal Continuum of Care awards.

**8. What is the dollar limit on minor rehab for permanent housing?**

No official dollar maximum is stated and the examples provided in the NOFA are intended to reflect what will be considered minor rehabilitation. However, as a guide, a per unit rehabilitation cost less than \$25,000 when proposed for minor rehabilitation activities will generally be considered minor rehabilitation.

**9. SHP with acquisition has a 20-year operation period; will those same requirements apply to this program?**

Yes. Under the SHP statute, the 20-year use requirements are applicable whenever SHP funds are used for new construction, acquisition or rehabilitation. Although new construction is not eligible under this initiative, applicants proposing use of SHP for acquisition or minor rehabilitation must comply with the 20-year provision.

**10. What assurance can you give that renewals of the SHP portion of this grant will not be incorporated into future continuum of care competitions?**

No assurance can be given. As with any SHP project, these will be eligible to seek renewal but, also like any SHP, the applicable Continuum of Care system will need to make a decision whether or not to place the project on their priority list.

**11. Under the HUD component, can an applicant apply for both SHP and S+C in a single application?**

No, an applicant cannot apply for both SHP and S+C in a single application. An applicant may, however, apply for SHP and S+C in two separate applications, remembering that no one applicant may receive more than \$2 million in funding.

**12. Can you clarify the match requirements for HUD?**

For SHP and for S+C, all statutory match requirements apply. For SHP, there is a 100% cash match for acquisition and rehabilitation and a 25% cash match for operating expenses. It was said during the broadcast that a 33% cash match is required for operating expenses, but this was an error. As with our CoC process, a 25% cash match for operating expenses is all that is required.

For S+C, there is a 100% cash or in-kind match requirement for all services, which may be fulfilled by using the other resources provided under this initiative.

**13. Can applicants request funding for services (SAMHSA/HRSA and VA) linked to housing units that are funded through recently awarded HUD funds (for example a new Shelter + Care project that will be ready for occupancy in the summer or fall of 2003?)**

The goal of this initiative is to create NEW units of permanent housing, not to subsidize existing units with services that are supposed to be provided already. Any awarded S+C project was awarded on the basis that services were already secured from other sources, and resources from this initiative may NOT supplant resources specified in that application. A project will be more competitive if it proposes NEW units of permanent housing.

**14. Where do applicants go to get the Continuum of Care Certification signed?**

Applicants should go to the Continuum of Care in their geographic area to get the certification signed. If they do not know who represents the Continuum of Care, they should contact their local HUD field office to get this information.